

Appropriations Committee
Public Hearing on the DSS Budget
Thursday, February 11, 2010
Testimony submitted by Kate Kelly,
Reaching Home Campaign Manager
Partnership for Strong Communities



REQUEST: Do not cut funding for the housing/homeless services line item in the DSS budget.

Chairs and members of the Appropriations Committee, thank you for the opportunity to testify here today. My name is Kate Kelly and I work for the Partnership for Strong Communities as the Campaign Manager for the Reaching Home Campaign.

The Housing and Homeless Services Line Item Can Not Afford Additional Cuts

The Governor's FY11 budget proposal cuts \$2.4 million from this critical line item. It is critical that no additional cuts are made to the funding in the DSS budget for housing and homeless services. This line item already faced a 5% rescission this year and the Governor has proposed a 25% cut of non-entitlement programs through her previous deficit mitigation plan which was rejected by the legislature. And we remain very concerned that this line item may face further cuts.

The Housing and Homeless Services line item funds critical rental assistance, emergency shelters and transitional living programs, residences for persons with AIDS, Eviction and Foreclosure Prevention, security deposit guarantees, homelessness prevention interventions and other programs which are vital to tens of thousands of Connecticut residents. These are the programs that serve our poorest and most vulnerable citizens.

Further reductions to this line item would have a dramatic impact on our ability to prevent and end homelessness through Rental Assistance Program certificates (RAP) and the creation of supportive housing. In mid-2007, nearly 50,000 households applied for only 1,000 rental subsidies after DSS opened its waiting list to make new Section 8 vouchers and RAP certificates available. DSS currently funds almost 2,500 RAP certificates and there are approximately 2,350 people on the waiting list with an anticipated waiting time of up to 3 years.

Connecticut's Dire Affordable Housing Needs

In this current economic crisis, it is important that we deal with the immediate emergency needs of those who are homeless and living in shelters or outdoors. Emergency shelters are seeing an increasing demand in the number of families with children and individuals who need their services. These growing numbers will be stuck living in shelters or on the streets unless affordable housing is available.

Connecticut has a tremendous need for affordable housing:

- Connecticut has a tight rental housing market vacancy rate of 3% with 10% nationwide.
- 100,000 of 400,000 renting households earn less than 50% AMI and spend more than half of that income on housing, leaving virtually nothing for necessities and other needs. These households are at risk of homelessness.
- The monthly federal Social Security payment in 2009 was \$805/month, according to the Technical Assistance Collaborative. A fair market rent for a 1-bedroom apartment in Connecticut is \$927/month, according to the National Low Income Housing Coalition. Connecticut residents receiving Social Security as their only income need to use 116% of their monthly income toward rent.

In fact, more rental housing is needed.

New RAP Certificates Are Necessary

We support the Connecticut Coalition to End Homelessness' request for funding for 100 new RAP certificates. These new vouchers are critical in the face of a high demand for affordable housing from very low income households. The Homelessness Prevention and Rapid Re-Housing Program demonstrates high need for help with rent. From October 1, 2009 to January 14, 2009, 2-1-1 made 2,144 referrals statewide and 986 clients have been served through HPRP, 819 of which have been served through prevention and 170 served through rapid re-housing. New RAP certificates would help address the problems identified by the Children in the Recession Task Force and also meet the needs of very low income households who are victims of domestic violence.

Even though local public housing authorities administer federal Housing Choice (formerly known as Section 8) vouchers, all of these programs are over subscribed. And given the housing crisis resulting from foreclosures and job losses, now more than ever, people need assistance with housing.

RAP is a vital tool for preventing and ending homelessness and/or institutionalization for people with disabilities. Project basing RAPs allows for long term affordability by tying the subsidy to the housing unit.

Ending Homelessness in Connecticut Through Supportive Housing

For the last five years, the Reaching Home Campaign has focused on ending long term homelessness in Connecticut through the creation of 10,000 new units of supportive housing. To date, providers throughout our state have created or have in the pipeline over 4,400 units of supportive housing in 85 communities across the state. And the RAP program has been critical in the creation of the almost 1,700 state funded units. We know that supportive housing can make a difference in the lives of people who once lived in hospitals and homeless shelters; it can restore dignity, help people live independently, and it can reduce public expenditures on emergency and institutional care.